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OF COUNSEL
WILLIAM G. CONLY

August 23, 2006

Honorable James H. Welsh
Commissioner of Conservation
State of Louisiana
Post Office Box 44275
Baton Rouge, Louisiana 70804-4275

Re: APPLICATION FOR PUBLIC HEARING

Alliance Zone, Reservoir A, THEALL FIELD,
Vermilion Parish, Louisiana.

Dear Sir:

MANTI OPERATING COMPANY ("Applicant") hereby respectfully applies for a public hearing to consider evidence relative to the issuance of an Order pertaining to the following matters relating to the Alliance Zone, Reservoir A, in the Theall Field, Vermilion Parish, Louisiana:

1. To establish rules and regulations governing the exploration for and production of gas and condensate from the Alliance Zone, Reservoir A.
2. To create a single drilling and production unit for the exploration for and production of gas and condensate from the Alliance Zone, Reservoir A, such unit being designated ALL RA SUA and being shown on the attached plat.
3. To force pool and integrate all separately owned tracts, mineral leases and other property interests within the proposed unit with each separate tract sharing in unit production on a surface acreage basis of participation.
4. To designate a unit operator of, and unit well for, the proposed unit as may be appropriate.
5. To provide that future wells drilled to the Alliance Zone within or outside of the unit proposed herein be located in accordance with the provisions of Statewide Order No. 29-E.
6. To provide that the Commissioner of Conservation may reclassify the Alliance Zone, Reservoir A, by Supplemental Order and without the necessity of a public hearing should such a reclassification be warranted based on evidence furnished to the Commissioner.
7. To define the Alliance Zone, Reservoir A, in the Theall Field, as the stratigraphic equivalent of that hydrocarbon bearing zone encountered between the measured depths of 13,616'

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and 14,340' in the Southwestern Energy Production Co.--Charles E. Dill et al. No. 1 Well (SN 216829), located in Section 8, Township 13 South, Range 3 East, Vermilion Parish, Louisiana.

8. To consider such other matters as may be pertinent.

Pertinent data concerning this application is available for inspection at the offices of Leon E. Comeaux & Associates, 305 La Rue France, Lafayette, Louisiana 70505. Any person wishing to inspect such data should call Mr. David Comeaux at (337) 233-9839 during normal business hours in order to arrange a date and time for such inspection. A copy of any such pertinent data which is not otherwise available from the records of the Louisiana Office of Conservation can be obtained from Applicant at the expense of the requesting party.

By letter dated June 27, 2006, Applicant gave notice, in accordance with the Revised Rules of Procedure, of its intention to apply for a public hearing concerning these matters and a pre-application conference with respect to Applicant's proposals was thereafter held beginning at 10:00 o'clock a.m. on July 20, 2006, in Lafayette, Louisiana. Attached is a list of the names and addresses of those persons present at the conference.

The purpose of the conference was explained as well as the bases for Applicant's proposals by sufficient data and detail for those present at the conference to have a reasonable opportunity to discuss the proposals and attempt to resolve any differences in good faith. Following Applicant's presentation, there was a general question and answer period concerning the proposals of Applicant. After this question and answer period, Mr. W. H. Robbins, on behalf of Stephen Tessier, presented an alternative plan, which involved extending the eastern boundary of the proposed unit. Following a question and answer period as to the alternative plan, the conference was adjourned. Subsequent to the conference, efforts have continued to resolve the differences between the parties and a compromise has been reached. This compromise unit proposal is reflected on the attached plat.

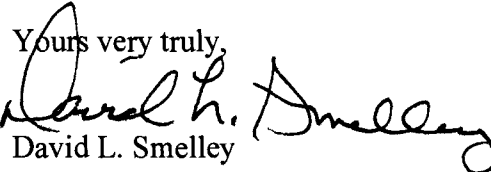
Attached hereto is a list of the names and addresses of all Interested Owners, Represented Parties and Interested Parties to whom a copy of this application is being sent. Pursuant to the Revised Rules of Procedure, such list is being forwarded only to the Commissioner of Conservation and to the District Manager of the Lafayette District of the Office of Conservation. A copy of the list will be furnished by the undersigned to any party so requesting. A reasonable effort was made to obtain a complete list of Interested Owners, Represented Parties and Interested Parties.

Applicant will provide for posting of a copy of the Legal Notice of this hearing and the enclosed plat at a prominent place in the area affected and will cause publication of the Legal Notice in a newspaper published in the general area of Theall Field, all in accordance with the Revised Rules of Procedure. Furthermore, a copy of the Legal Notice will be mailed to all Interested

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Owners, Represented Parties and Interested Parties promptly upon receipt of the Legal Notice from the Commissioner.

Finally, we enclose our check payable to the Commissioner of Conservation for the application fee.

Yours very truly,

David L. Smelley

-- Attorney for Manti Operating Company

DLS:dp
Enclosures

cc: Mr. Richard Hudson (w/encls.)
Mr. Barry Clark (w/encls.)
Mr. Foy Harrison (w/encls.)
Mr. David Comeaux (w/encls.)
Interested Owners, Represented Parties
and Interested Parties (w/plat only)

